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PRESIDENT'S COUNCIL on INTEGRITY & EFFICIENCY

December 23, 1986

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Joseph R. Wright, Jr.
Chairman, President's Council on
Integrity and Efficiency

SUBJECT: Program Fraud Civil Remedies Act of 1986 (PFCRA):
Model Regulations

As you know, the Congress enacted PFCRA on October 21, 1986, which established an administrative remedy to Federal authorities for fraudulent claims and statements. The statute requires each affected Federal authority to promulgate final regulations by April 21, 1987. The Senate Governmental Affairs Committee, which sponsored the legislation, intended that such "regulations would be substantially uniform throughout government." S. Rep. No. 99-212, 99th Cong., 1st Sess. 12 (1986).

On December 1, 1986, Vice Chairman Richard P. Kusserow distributed copies of draft model regulations to the membership of the President's Council on Integrity and Efficiency (PCIE) for their consideration and comment. After comments are received, final model regulations will be distributed in January.

Except in compelling circumstances necessitated by an agency's organizational or programmatic uniqueness, I strongly urge all PCIE members to adopt the final model regulations in their entirety. There are several reasons why uniform Federal regulations would be appropriate. Since the statute has Government-wide application, uniform regulations would encourage consistency in agency enforcement and judicial interpretation. It would permit administrative law judges to preside in cases initiated by any Federal agency. It would encourage inter-agency cooperation in developing uniform enforcement standards and tables of penalties. Finally, the time in which to promulgate regulations is extremely short, the final model regulations will include all meritorious comments and will reflect the three years' experience of HHS with their own civil monetary penalties statute.

Again, I wish to endorse the concept of uniform regulations for this new legislation. Since it comports with the intent of Congress, I urge all of you to adopt the final model regulations, when they are distributed in January.

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